

TABLE OF CONTENTS

LIST OF EXHIBITS	iii
GLOSSARY	v
RELOCATION	1
VOLUNTARY RELOCATION	1
PROCESSING CLAIMS	2
RECORDKEEPING	2
AREAS OF SPECIAL CONCERN	2
RELOCATION POLICY	3
INVOLUNTARY RELOCATION	3
VOLUNTARY RELOCATION FORMS	5-17
INVOLUNTARY RELOCATION FORMS	
AVAILABLE UPON REQUEST	

LIST OF EXHIBITS

F-1	GENERAL INFORMATION NOTICE – 180-DAY HOMEOWNER	7
F-2	CLAIM FOR REPLACEMENT HOUSING PAYMENT FOR 180-DAY HOMEOWNER	9
F-3	ACKNOWLEDGEMENT OF SERVICES AND PAYMENTS	15
F-4	RELOCATION FILE CHECKLIST – VOLUNTARY	17

GLOSSARY

COMPARABLE REPLACEMENT DWELLING

When a person is relocated whether voluntarily or involuntarily, they are moved to a "comparable replacement dwelling." Based on 49 CFR 24.2(d), a comparable replacement dwelling is:

- (1) Decent, safe and sanitary
- (2) Functionally equivalent to the displacement dwelling
- (3) Free from adverse environmental conditions
- (4) In a location no less desirable
- (5) On a site typical of the area

This establishes the minimum standard of "equal to or better" for any relocation.

DISPLACED PERSON

Any lower income family or individual that moves from real property, or moves his or her personal property (a trailer) from real property, permanently and involuntarily as a direct result of the conversion of an occupied or vacant occupiable low/moderate income dwelling unit or the demolition of any dwelling unit in connection with an assisted activity (a person funded with CDBG dollars.)

Note: The CDBG program as operated will not "displace" persons.

SECTION 104(d) - of the Housing and Community Development Act of 1974

This requires that all occupied and vacant occupiable low/moderate income dwelling units that are demolished or converted to a use other than low/moderate income housing must be replaced.

This is also known as the "one for one" requirement - if you demolish one (dwelling) you have to replace it with one (dwelling).

Under the CDBG program, you must adhere to this requirement.

UNIFORM RELOCATION ACT (URA)

All of the policies and procedures concerning the acquisition and relocation are covered by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended which covers all HUD assisted programs. The URA requirements can be found at 49 CFR Part 24 (see 54 FR 8912).

VOLUNTARY RELOCATION

The URA makes a clear distinction between a "displaced person" who is forced to move permanently and a "non-displaced" person, one who is not forced to move. The difference between the two is important in determining the nature of the benefits to the person. In this chapter when we talk about voluntary relocation, we are concerned with a person who is in the technical and legal sense a "non-displaced" person.

A voluntary relocation occurs when "the person is an owner-occupant of the property who moves as a result of an arm's length acquisition (not condemnation) or as the result of voluntary rehabilitation or demolition of the real property". There are three additional requirements:

- (1) "The City/County determines and informs the owner in writing that it will not use its power of eminent domain to acquire the property if the negotiations fail to result in an amicable agreement."
- (2) "No specific site or property needs to be acquired..." in order for the project to proceed.
- (3) "The City/County informs the owner of its estimate of the fair market value of the property."

NOTE: The CDBG program meets all three of these conditions. That is why it is voluntary relocation and the persons are not "displaced."

RELOCATION

The Relocation Assistance and Real Property Acquisition Policies Act of 1970 (the URA) applies to all Federal or federally-assisted activities that involve the acquisition of real property or the displacement of persons, including displacement caused by rehabilitation and demolition activities. The URA is intended to ensure that implementation of such activities by Federal agencies or other public or non-profit agencies is as uniform and consistent as possible.

Under the URA, all persons (families, individuals, businesses and farms) displaced (forced to move permanently) as a direct result of rehabilitation, demolition or acquisition for a HUD-assisted project are entitled to relocation payments and other assistance. Relocation concerns must be addressed early in a project's process, primarily at the time the project is proposed. After the execution of the agreement is received, the appropriate notices regarding relocation should be disseminated to eligible residents.

When a homeowner or tenant is forced to move from their dwelling against their will, the relocation becomes involuntary and they have become a "displaced person." However, CDBG Policies and Procedures for housing rehabilitation projects using Federal funds in designated target areas does not allow for Involuntary Relocation. When a homeowner does not want to relocate or rehabilitate their dwelling, the city or county can not force the homeowner to do so or condemn the dwelling.

VOLUNTARY RELOCATION

When a project is undertaken that will facilitate the acquisition, rehabilitation or demolition of dilapidated dwellings, the affected homeowner(s) must be offered relocation benefits. In some cases, rehabilitation of a dilapidated dwelling is not cost efficient and the homeowner agrees to sell or donate their dwelling to the city or county who then demolishes the dwelling. The homeowner is then voluntarily relocated into a new building on the same site, a more suitable (decent, safe and sanitary) site or to an existing dwelling on another site. This voluntary relocation provides the homeowner with the benefits of receiving a new and/or better dwelling. The homeowner is also entitled to benefits related to the move, including moving and related expenses. The grantee benefits from the removal of an "eyesore" and improves the housing stock in the community.

Homeowners who are voluntarily relocated must be referred to at least one "comparable" replacement unit. The comparable replacement unit must be similar in (1) size (contain the same amount of space as the original unit), and function (performing the same purpose as the original unit), (2) reasonably accessible to the person's employment, (3) located in an equal or better area than the location of the original unit, (4) decent, safe and sanitary, (5) currently available and (6) within the financial means of the homeowner.

PROCESSING RELOCATION CLAIMS

The grantee is responsible for assisting relocatees in applying for benefits under the URA. Each homeowner affected must receive the appropriate notices/forms relating to voluntary relocation (Appendix 1). These may include:

- General Information Notice (GIN)
- Claim for Replacement Housing Payment
- Acknowledgement of Services and Payments for Voluntary Relocation

All Notices must be served at the appropriate time so that adverse actions will not be realized. The files must also indicate the manner in which the Notices are delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery.

In the event that a claim is denied or a relocatee intends to waive his/her relocation benefits, ECD should be contacted immediately.

Request for Payment for Relocation Claims

In those cases where a new house is being built or a new manufactured home being purchased, the funds should be requested from the "Relocation" line item in the budget not from the "Housing Rehabilitation" line item.

RECORDKEEPING

Recordkeeping is an integral part of your responsibilities. Refer to the relocation file checklist to ensure all voluntary relocation activities are complete. Separate files must be maintained on each household for 3 years following completion of the project or relocation payment, whichever is later.

AREAS OF SPECIAL CONCERN

Affirmative Action

Efforts must be made and documented that low income and minority homeowners who are displaced have been shown replacement housing in areas not concentrated by low income and minority populations.

Housing Discrimination

Relocatees must be assisted in making complaints of housing discrimination (see Exhibits).

Self Relocatees

It is the decision of the relocatee if he/she should desire to move into a housing unit that is not "decent, safe and sanitary" or that does not meet code specifications. They are entitled to receive moving costs, but not a replacement housing payment. Contact ECD for assistance.

Relocation of Farms and Businesses

Contact ECD.

Additionally, pay particular attention to citizen concerns regarding housing and relocation. They may be frightened and suspicious of efforts to refurbish the housing stock. The counseling and assistance required in helping homeowners is significant, and the area in which many programs experience the greatest difficulty.

RELOCATION POLICY

When the homeowner agrees to be relocated because he/she will benefit and there is no threat of condemnation, relocation policy is locally determined. Because voluntary relocation occurs in the housing rehabilitation program, a sample "relocation" policy is included under the housing policies and procedures.

Voluntary relocation forms can be found on pages 7 through 15.

INVOLUNTARY RELOCATION

When a homeowner or tenant is forced to move from their dwelling against their will, the relocation becomes involuntary and they have become a "displaced person." Displaced persons are entitled to all of the benefits under the Uniform Relocation Act and/or Section 104(d).

IMPORTANT NOTE: The CDBG Policies and Procedures for Housing Rehabilitation projects using Federal funds in designated target areas does not allow for Involuntary Relocation. In the history of the CDBG program, there has never been involuntary relocation. Any city or county considering the involuntary relocation of a homeowner or tenant for any reason must contact ECD before contacting the homeowner or tenant.

Involuntary relocation benefits are covered in detail by the Uniform Relocation Act and Section 104(d). A description of the benefits and applicable forms can be found on pages 17 through 81.

Voluntary Relocation Forms

GENERAL INFORMATION NOTICE -- 180-DAY HOMEOWNER

(Agency Letterhead)

(date)

Subject: Voluntary Relocation Benefits

Dear _____:

The City of Anytown has received Federal Community Development Block Grant (CDBG) funds to be used in your area to rehabilitate or replace dwellings that do not meet the building code and are in need of repair.

This program is entirely voluntary and you do not have to participate in it if you do not wish. During the life of the CDBG program the City will not condemn your house, force you to fix your house, or force you to move to another dwelling. If you do not want to participate, the City will use the funds to help others in the area.

The City of Anytown has determined that because of your income you are eligible to participate in the program. The City has also determined that because of the dilapidated conditions of your house, it is not cost effective to rehabilitate it, you may be eligible for voluntary relocation benefits. If the City believes that it would be more cost effective, and in your and the City's interest, the City may offer to provide you with another house to take the place of your dilapidated house.

The City believes it can best assist you by providing the following relocation benefits.

- a. If you agree to donate your dilapidated dwelling to the City/County, they will demolish it at no cost to you and build (or purchase a manufactured home) as a new comparable replacement dwelling on the *same site*.

Or

The city should select the appropriate paragraph (a. b. or c.) that describes what is going to happen to the homeowner, and leave out the other paragraphs.

- b. If you agree to donate your present dilapidated dwelling to the City/County, they will demolish it at no cost to you and build (or purchase) a new comparable replacement dwelling on *another site*.

Or

- c. Your present dilapidated dwelling is located in a floodplain and subject to periodic flooding. It is impracticable to raise the dwelling high enough to prevent it from flooding. If you will donate the dwelling and the land to the City/County, they will demolish the present structure, then build (or purchase) you a comparable replacement dwelling *outside of the flood plain area*.

All settlement costs, recording fees, legal fees and other costs relating to the transfer of property will be paid for you.

The purpose of this offer by the City is so you will receive a new dwelling at no cost to you. The City does not intend that you should receive extra "cash" as a result of this program.

If you should sell this dwelling within five years, you will be expected to repay the City/County as described in the Policies and Procedures.

This is a voluntary process. The City will not force you to move, however, this offer is only good as long as the City has the funds to carry out the program.

Sincerely,

City Official

Received by _____

Date _____

Witness _____

Claim for Replacement Housing Payment for 180-Day Homeowner- Occupant (49 CFR 24.401)

U.S. Department of Housing
and Urban Development
Office of Community Planning
and Development

OMB Approval No. 2506-0016
(exp. 07/31/2008)

For Agency Use Only	Name of Agency	Project Name or Number	Case Number
----------------------------	----------------	------------------------	-------------

Instructions. This form is for the use of families and individuals applying for a replacement housing payment under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) for a 180-day homeowner occupant who elects to buy a replacement home. A homeowner-occupant who decides to rent rather than buy should also use form HUD-40058. The Agency will help you complete this form. HUD also provides information on these requirements and other guidance materials on its website at: www.hud.gov/relocation. If the full amount of your claim is not approved, the Agency will provide you with a written explanation of the reason. If you are not satisfied with the Agency's determination, you may appeal that determination. The Agency will explain how to make an appeal.

All claims for payment by a homeowner-occupant must be filed within 18 months after the latest of: a) the date of displacement or b) the date of final payment for the acquisition of the real property. Displaced 180-day homeowner occupants must purchase and occupy a decent, safe and sanitary replacement dwelling within 1 year after the later of: a) the date of final payment for the displaced dwelling (for condemnation, use the date just compensation deposited in court) or b) the date a comparable replacement dwelling is made available by the agency (see 24.204).

1. Your Name(s) (You are the Claimant(s)) and present Mailing Address	1a. Your Telephone Number(s)
---	------------------------------

2. Have all members of the household moved to the same dwelling? ☐ Yes ☐ No (If "no", attach a list of the names of all members and the addresses to which they moved.)

Dwelling	Address	When did you buy this unit?	When did you move to this unit?	When did you move out of this unit?
3. Unit That You Moved From				
4. Unit That You Moved To				

5. Certification of Legal Residency in the United States (Please read instructions below before completing this section.)

Instructions: To qualify for relocation advisory services or relocation payments authorized by the Uniform Relocation Assistance and Real Property Acquisition Policies Act, a "displaced person" must be a United States citizen or national, or an alien lawfully present in the United States. **The certification below must be completed in order to receive any relocation benefits.** (This certification may not have any standing with regard to applicable State laws providing relocation benefits.) **Your signature on this claim form constitutes certification.** See 49 CFR 24.208(g) & (h) for hardship exceptions.

Please address only the category (Individual or family) that describes your occupancy status. For item (2), please fill in the correct number of persons.

RESIDENTIAL HOUSEHOLDS

(1) Individual.

I certify that I am: (check one)

☐ a citizen or national of the United States

☐ an alien lawfully present in the United States.

(2) Family.

I certify that there are _____ persons in my household and that

_____ are citizens or nationals of the United States and _____ are aliens lawfully

present in the United States.

6. Computation of Replacement Housing Payment (A homeowner-occupant who elects to rent should complete only items 1, 3, 4 & 5)	To Be Completed By Claimant	For Agency Use Only
(1) Purchase Price of Comparable Replacement Dwelling (To be provided by the Agency)		
(2) Purchase Price of the Dwelling You Moved To (Not applicable for owner-occupant who elects to rent)		
(3) Lesser of line 6(1) or 6(2)		
(4) Price Paid by Agency for Dwelling That You Moved From		
(5) Price Differential Amount (Subtract line 6(4) from line 6(3). If amount on line 6(4) exceeds amount on line 6(3), enter 0) This is the maximum amount for a homeowner occupant who elects to rent.		
(6) Incidental Expenses (From line 7(10))		
(7) Mortgage Buydown Payment and Other Debt Service Costs (To be determined by Agency. See instructions in Item 8)		
(8) Total Amount of Replacement Housing Payment Claim (Add lines 6(5), 6(6), and 6(7))		
(9) Amount Previously Received, if any		
(10) Amount Requested (Subtract line 6(9) from line 6(8))		

7. Incidental Expenses in Connection With Purchase of Replacement Dwelling (24.401 (e))

Instructions: Enter expenses incidental to the purchase of your new home. Do not include prepaid costs such as real estate taxes. Attach a copy of the closing statement and other receipts.
 * Not to exceed the costs for a comparable replacement dwelling.

	(a) Claimant	(b) For Agency Use Only
(1) Legal, closing and related costs, including title search, preparing conveyance instruments, notary fees, preparing surveys and plats, and recording fees	\$	\$
(2) Lender, FHA or VA Application and Appraisal Fees	\$	\$
(3) Loan Origination or Assumption Fees (Not Prepaid Interest).	\$	\$
(4) Professional Home Inspection, Certification of Structural Soundness, and Termite Inspection	\$	\$
(5) Credit Report	\$	\$
(6) Owner's and mortgagee's evidence of title, e.g. title insurance *	\$	\$
(7) Escrow Agent's Fee	\$	\$
(8) State Revenue or Documentary Stamps, Sales or Transfer Taxes *	\$	\$
(9) Other Costs (specify)	\$	\$
(10) Total Incidental Expenses (Add lines 7(1) through 7(9). Enter this amount on line 6(6)).	\$	\$

8. Mortgage Buydown Payment and Other Debt Service Costs (24.401(d))

Instructions: You are entitled to compensation to cover the additional costs you must pay to finance the purchase of a replacement dwelling. The "buydown" payment covers those costs that result because the interest rate you must pay for a new mortgage is higher than the interest rate on your old mortgage. The maximum buydown payment for which you can qualify is the amount needed to reduce your new mortgage balance to the amount which can be amortized with the same periodic payments for principal and interest as those for your old mortgage. (The Agency is required to advise you of its estimate of the maximum buydown payment and the interest rate, term and amount on which it was computed. You will need to borrow that amount over that term to qualify for the full payment.) If you have more than one mortgage on either your old or new home, complete a separate Item 8(13) for each computation and include the total amount of all such computations on line 6(7). Note: A mortgage on your old home that was in effect for less than 180 days before the Agency's initial written offer of just compensation for the property cannot be used as a basis for payment. Also, if the combination of interest and points for the new mortgage exceeds the current prevailing fixed interest rate and points for conventional mortgages and there is no justification for the excessive rate, then the current prevailing fixed interest rate and points shall be used in the computations.

Part A - Information from Mortgage Documents	(a) Old Mortgage	(b) New Mortgage	(c) Lesser of Col. (a) or (b)
(1) Outstanding principal balance	\$	\$	
(2) Annual interest rate of mortgage	%	%	
(3) Number of monthly payments remaining on mortgage	Mos.	Mos.	Mos.

Part B - Computation of Payment (Use mortgage amortization table with 6 decimal places.)

(4) Monthly payment required to amortize a loan of \$1,000 in _____ months (8(3)(c)) at an annual interest rate of _____ % (8(2)(b))	\$
(5) Monthly payment required to amortize a loan of \$1,000 in _____ months (8(3)(c)) at an annual interest rate of _____ % (8(2)(a))	\$
(6) Subtract line 8(5) from line 8(4)	\$
(7) Divide line 8(6) by line 8(4) (carry to 6 decimal places)	\$
(8) Enter old mortgage balance (amount on line 8(1)(a))	\$
(9) Multiply line 8(7) by line 8(8)	\$
(10) New loan needed (subtract 8(9) from 8(8))	\$
Note: If 8(10) is less than 8(1)(b), enter amount from line 8(9) onto line 8(13) and skip lines 8(11) and 8(12)	
(11) Divide 8(1)(b) by 8(10) (carry to 6 decimal places)	\$
(12) Multiply line 8(11) by line 8(9)	\$
(13) Enter amount from 8(9) or 8(12), as appropriate (This is the mortgage buydown payment)	\$
(14) Other debt service costs (Reimbursement of purchaser's points and loan origination fees is based on the new loan needed (8(10)), or the actual new loan balance (8(1)(b)), whichever is less. Do not include seller's points or any cost included as an incidental expense in 7(12).)	\$
(15) Add lines 8(13) and 8(14). Enter this amount on 6(7).	\$

9. Certification By Claimant(s): I certify that the information on this claim form and supporting documentation is true and complete and that I have not been paid for these expenses by any other source. Signature(s) of Claimant(s) & Date

X

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

To Be Completed by Agency

10. Effective Date of Eligibility for Relocation Assistance (mm/dd/yyyy)		11. Date of Referral to Comparable Replacement Dwelling (mm/dd/yyyy)	12. Date Replacement Dwelling Inspected and Found Decent, Safe and Sanitary (mm/dd/yyyy)	
Payment Action	Amount of Payment	Signature	Name (Type or Print)	Date (mm/dd/yyyy)
13. Recommended	\$			
14. Approved	\$			

Remarks

Public reporting burden for this collection of information is estimated to average 1.0 hour per response. This includes the time for collecting, reviewing, and reporting the data. The information is being collected under the authority of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and implementing regulations at 49 CFR Part 24 and will be used for determining whether you are eligible to receive a replacement housing payment for a 180-day homeowner and the amount of any payment. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number.

Privacy Act Notice: This information is needed to determine whether you are eligible to receive a replacement housing payment for a 180-day homeowner. You are not required by law to furnish this information, but if you do not provide it, you may not receive this payment or it may take longer to pay you. This information is being collected under the authority of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and implementing regulations at 49 CFR 24. The information may be made available to a Federal agency for review.

INSTRUCTIONS FOR FILLING OUT THE CLAIM FOR VOLUNTARY REPLACEMENT HOUSING PAYMENT - 180 DAY HOMEOWNER

The following material will assist in the preparation of Form F-2 which is used to request Relocation Funds.

1. Name of Person(s) receiving Relocation benefits.
2. Answer the question.
3. This is the existing (dilapidated) unit that the homeowner lives in.
4. This will be the new replacement unit.
5. (1) The City should determine the price of a Comparable Replacement dwelling. This is defined as "decent, safe and sanitary" and "functionally equivalent" and "equal to or better than" the existing dwelling. The price may be established by informal surveys of the area.
5. (2) This is the price of the dwelling the homeowners are moving to. If the City is demolishing the old dwelling and building a new dwelling on the same site, then the price is established by the low bid for constructing the new dwelling.
5. (3) Lessor of line (1) or (2). Use which ever number is smaller. (Don't subtract one line from the other.)
5. (4) The homeowner may donate the dilapidated dwelling to the City who then demolishes the house and builds the new replacement structure. This saves the project the time and expense of having an appraisal done. If, however the City as a policy buys the dilapidated dwelling, then the City must have an appraisal done and pay the appraised price. The money will come from the Acquisition line in the project budget. When the City "buys" the dilapidated dwelling the homeowner will apply this money and the relocation funds toward the costs of the new replacement dwelling 5.(2).
5. (5) Do the subtraction.
5. (6) Turn the form over and look at the top of the page. Item 12(1) thru 12(15) list a number of costs that can be paid for as a relocation benefit, 12(15) is for "other".
Corrections: If for some reason some of these fees change, or have to be adjusted, they can be, by resubmitting this form with the corrected information.
5. (7) Leave blank. If you anticipate a mortgage buydown, call ECD.
5. (8) Do the addition. This will give you the Relocation benefits due the homeowner. (They will be paid out of the Relocation line item when a new house has been built. The Rehabilitation line item funds are used only for houses that are rehabbed. A new house is not a rehab.)
5. (9) Use this only if this is the second time you are requesting relocation funds on the same case. For example, if you need to request additional incidental expenses.

5. (10) This is the total Relocation Benefit requested. In general this amount added to the Acquisition Amount (5(4)) will equal the cost of the new dwelling (5(2)).
6. Homeowners must sign.
7. Can be left blank because this is a voluntary relocation.
8. Same as 7.
9. Usually the date of final construction.
10. Signature by Consultant or Administrator.
- 11, Signed by local elected official (Mayor or County Executive).
- 12, (1) thru (15). All of these are eligible expenses and can be paid from Relocation.
12. (16) The total of expenses should be entered in line 5(6).
13. Mortgage Buydown Payment – Not applicable to CDBG projects.

**ACKNOWLEDGEMENT OF SERVICES AND PAYMENTS
FOR VOLUNTARY RELOCATION**

This is to certify that the relocation assistance, services and payments rendered by the Agency at the time of my voluntary relocation were done to my satisfaction.

I further certify that I have received the following benefits:

Moving Expense

_____ Reimbursement of paid receipt from a mover or direct payment to a mover of \$ _____

_____ I waive my right to moving payment.

Acquisition Payment (for dilapidated dwellings)

_____ Payment of \$ _____ based on appraisal.

_____ I waive my right to appraisal and acquisition payment.

Replacement Housing Payment (for new structure or replacement house)

_____ Replacement Housing Payment in the sum of \$ _____.

I further certify that I have inspected the dwelling that I have been relocated to and it is acceptable to me.

Date

Homeowner

Relocation File Checklist - Voluntary
--

(A separate file must be maintained for each household.)

Fully completed case file must include:

General Information Notice

☐

Claim for Replacement Housing Payment for 180-Day Homeowner

☐

Acknowledgement of Services and Payment for Voluntary Relocation

☐

Involuntary Relocation

**If you are doing involuntary relocation,
you must contact Program
Management prior to beginning the
process. We will provide the
necessary forms.**